

Regular Session, 2010

HOUSE BILL NO. 7

BY REPRESENTATIVES WADDELL AND LEGER

TAX/INCOME-INDIV/RETURN: Creates an individual income tax return checkoff for donations to the La. Chapter of the National Multiple Sclerosis Society

1 AN ACT

2 To enact Subpart AA of Part I of Chapter 1 of Subtitle II of Title 47 of the Louisiana
3 Revised Statutes of 1950, to be comprised of R.S. 47:120.85, relative to state
4 individual income tax return checkoffs for certain donations; to provide for a method
5 for individuals to donate a portion of any refund due to them to the Louisiana
6 Chapter of the National Multiple Sclerosis Society; to provide for the disposition of
7 such donated monies; to establish the Louisiana Chapter of the National Multiple
8 Sclerosis Society Fund as a special escrow fund in the state treasury; to provide for
9 the administration and use of monies in the fund; to authorize the secretary of the
10 Department of Revenue to make certain deposits into the fund; to provide for
11 reporting; and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. Subpart AA of Part I of Chapter 1 of Subtitle II of Title 47 of the
14 Louisiana Revised Statutes of 1950, comprised of R.S. 47:120.85, is hereby enacted to read
15 as follows:

16 SUBPART AA. LOUISIANA CHAPTER OF THE NATIONAL MULTIPLE
17 SCLEROSIS SOCIETY DONATION

18 §120.85. Income tax checkoff; donation for Louisiana Chapter of the National
19 Multiple Sclerosis Society

20 A. Every individual who files an individual income tax return for the current
21 tax year and who is entitled to a refund may designate on his current year return that

1 all or any portion of the total amount of the refund to which he is entitled shall be
2 donated to the Louisiana Chapter of the National Multiple Sclerosis Society in lieu
3 of that amount being paid to him as a refund, in which case the refund shall be
4 reduced by the amount so designated. The designation shall be made at the time of
5 filing the current year tax return and shall be made upon the income tax return form
6 as prescribed by the secretary of the Department of Revenue, hereinafter referred to
7 as the "secretary". No donation made under the provisions of this Part shall be
8 invalid for want of an authentic act.

9 B. There is hereby established in the state treasury a special escrow fund to
10 be known as the Louisiana Chapter of the National Multiple Sclerosis Society Fund,
11 hereinafter referred to as the "fund". The fund is established to receive deposits of
12 donations made on individual income tax returns for the benefit of the Louisiana
13 Chapter of the National Multiple Sclerosis Society. The fund shall be administered
14 by the secretary, who is authorized to retain from monies deposited into the fund
15 amounts necessary to provide for expenses associated with its administration. The
16 secretary shall, every sixty days, remit the remaining balance of monies in the fund
17 to the Louisiana Chapter of the National Multiple Sclerosis Society.

18 C. At the time the secretary determines that a refund is due on a taxpayer's
19 income tax return upon which a designation is made for a donation to the Louisiana
20 Chapter of the National Multiple Sclerosis Society, the secretary shall transfer from
21 general collections an amount equal to the amount of the donation to be deposited
22 in and credited to the fund. This transfer shall occur within one hundred twenty days
23 of the date upon which the return was received, or the due date of the return,
24 whichever is later. The secretary shall also maintain a register of the amount of each
25 donation and the name of the donor.

26 D. The House of Representatives Committee on Ways and Means, may, at
27 its discretion, request a report from the Louisiana Chapter of the National Multiple
28 Sclerosis Society relative to its operations. The form and content of the report shall
29 be prescribed by the chairman of the committee, but shall at a minimum contain a

1 detailed explanation of the revenues and expenditures, as well as a description of the
2 organization's activities. The committee may summon any person employed by or
3 associated with the Louisiana Chapter of the National Multiple Sclerosis Society to
4 provide testimony with respect to the report.

5 Section 2. The provisions of this Act shall be effective for taxable years beginning
6 on or after January 1, 2010.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Waddell

HB No. 7

Abstract: Provides for individual income tax checkoff for donation to the La. Chapter of the National Multiple Sclerosis Society.

Proposed law provides for an individual income tax checkoff under which an individual can donate a portion of his state income tax refund, or other monies, to the La. Chapter of the National Multiple Sclerosis Society.

Proposed law establishes the La. Chapter of the National Multiple Sclerosis Society Fund (hereinafter "fund") as a special escrow fund in the state treasury, which is established to receive deposits related to donations made on tax returns for the benefit of the La. Chapter of the National Multiple Sclerosis Society, and shall be administered by the secretary of the Dept. of Revenue (hereinafter "secretary"). From monies deposited into the fund, the secretary is authorized to retain amounts necessary to provide for expenses associated with administration of the fund. After retaining amounts deemed necessary for administrative expenses, the secretary shall, every 120 days, remit the remaining balance of monies in the fund to the La. Chapter of the National Multiple Sclerosis Society.

Proposed law provides for the determination by the secretary of amounts of donations and for corresponding deposits of money from general collections into the fund.

Proposed law authorizes the House Committee on Ways and Means, at its discretion, to request reports from the La. Chapter of the National Multiple Sclerosis Society relative to its operations. The form and content of the report shall be prescribed by the chairman of the committee, but shall at a minimum contain a detailed explanation of the revenues and expenditures, as well as a description of the organization's activities. The committee is authorized to summon any person employed by or associated with the La. Chapter of the National Multiple Sclerosis Society to provide testimony with respect to the report.

Effective for taxable years beginning on or after Jan. 1, 2010.

(Adds R.S. 47:120.85)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Ways and Means to the original bill.

1. Increased from 60 to 120 days as the time period within which the secretary of the Dept. of Revenue must transfer donations received for deposit into the La. Chapter of the National Multiple Sclerosis Society Fund.
2. Changed the tax year effectiveness from Jan. 1, 2011 to Jan. 1, 2010.